

No shortages of butter for local consumption have occurred in any locality during the year, and the quality of butter supplied to the local market has been, on the whole, very satisfactory.

The total consumption of butter has, of course, increased very materially if we take in requirements of Armed Forces, particularly the extra requirements of Allied services. Consumption by civil population shows a decrease of roughly 1,400,000 lb. of creamery and 100,000 lb. of whey butter, but if the amount supplied to the Forces in New Zealand is added there is again a considerable increase in total consumption.

The change back to butter-manufacture is reflected in the lesser quantity of whey butter available, but, owing to the fact that the Imperial authorities had undertaken to relieve New Zealand of all whey butter in the form of dry butterfat, the situation in regard to it was entirely altered at the beginning of the season. The price of whey butter on the local market was again raised to conform to that ruling during 1941-42, and arrangements were made to process all surplus quantities into dry butterfat for shipment. In the South Island, where whey-butter production exceeded consumption by a few thousand boxes, arrangements were made to dispose of this surplus quantity under conditions which show a considerable saving to the Division.

During the year the Dairy Research Institute has carried out several experiments with butter spreads incorporating a large percentage of butterfat together with stearine, milk-powder, &c., and submitted them to the military authorities. So far none of these spreads has proved as satisfactory for their requirements as butter itself.

The patting of a very large quantity of butter for military requirements has caused a further increase in butter consumption within New Zealand, and will mean that, particularly in the North Island, considerable quantities of stored butter will need to be used for internal consumption in order that the special requirements of the Pacific area may be met from fresh butter.

The canning plant mentioned in the last report has not yet come to hand, but is expected to arrive at an early date, and is urgently required in order to pack butter for overseas Forces, patriotic parcels, and other military needs. It is hoped that this plant will be available in the next two or three months, and therefore in time for the next production season.

During the year the price of butter for ships' stores was altered to conform to the internal price within New Zealand. This has simplified administration, as all butter for internal sale, Pacific islands, and ships' stores is at the same price.

During the year all returns and records have come to hand in a very satisfactory manner, and the Division appreciates the assistance which has been given by the officers of the various dairy factories in carrying out their duties. It has been possible to simplify some of the schedules, and this has been appreciated by factory secretaries. Any further assistance which can be given by the Division will be forthcoming at any time.

### CHEESE

As will be seen from the following schedule, consumption of cheese during the year has increased slightly, taking in military requirements within New Zealand. During the year, after considerable investigation and in collaboration with the Price Tribunal, a Price Order covering the sale of cheese, both by wholesale and retail and of a maturity not exceeding four months, was promulgated, so that the price for all mild Cheddar cheese for sale by retailers over the counter in New Zealand is now fixed in accordance with this Order. Owing to the difficulty of specifying the actual maturity of any cheese over four months old, it is not possible to schedule prices for cheese in excess of that maturity.

During the year the tinning of cheese for sale on the local market was prohibited in order to conserve stocks of tinplate. With the exception of those stocks which were held at the time the prohibition became effective, there will be no further sale on the local market of tinned, medium, or loaf cheese. The Division is, however, arranging for the tinning of considerable quantities of cheese for the Forces in the Pacific area, and these have not only kept the facilities previously required for local market purposes in use, but have put considerable strain on the total cannery capacity.

Cheese sold on the local market during the year has reflected a very satisfactory quality, and this no doubt is in some measure responsible for the increased local consumption.

#### LOCAL MARKET SALES OF BUTTER FOR YEAR ENDED 31ST MARCH, 1943

		Creamery.	U.S. Forces : Creamery.	Whey.	Total.
		lb.	lb.	lb.	lb.
1942					
April .. ..	..	5,549,208	..	208,030	5,757,238
May .. ..	..	5,391,620	..	242,646	5,634,266
June .. ..	..	5,648,785	157,064	245,377	6,051,226
July .. ..	..	5,440,705	149,492	254,988	5,845,185
August .. ..	..	5,584,352	351,832	99,432	6,035,616
September ..	..	5,589,918	350,656	114,008	6,054,582
October .. ..	..	5,612,406	422,040	163,078	6,197,524
November ..	..	5,653,525	623,488	146,747	6,423,760
December ..	..	6,367,504	334,232	157,755	6,859,491
1943					
January .. ..	..	5,257,054	327,844	130,964	5,715,862
February .. ..	..	6,455,559	380,419	134,768	6,970,746
March .. ..	..	5,608,904	2,770,600	154,632	8,534,136
		68,159,540	5,867,667	2,052,425	76,079,632